REMARKS

Claims 1-5, 8-11 and 13-19 are pending in the application. Claims 1, 9, 14 and 19 have been amended. Applicants believe that this response addresses the Examiner's rejection and that any changes do not introduce new matter into the specification, limit the scope of the claims or result in any prosecution history estoppel.

Claim Rejections - 35 U.S.C. §101

The Examiner rejected claims 1-5, 8-11 and 13-19 under 35 USC §101 because the claimed invention is directed to non-statutory subject matter. Applicants respectfully note that the claims have been amended thus overcoming the Examiner's rejection.

Claim Rejections - 35 U.S.C. §102 and §103

The Examiner stated that the rejections of claims 14-15 and 18-19 under 35 U.S.C. §102(b) as being anticipated by Shyu (U.S. 5,471,412). The Examiner also rejected claims 1-5, 8-11, 13 and 16-17 under 35 U.S.C. §103 as being obvious over Shyu (U.S. 5,471,412).

Applicants respectfully traverse the Examiner's rejection. In particular, in addition to the previous arguments presented, Shyu fails to teach or suggest a system or method that allows processing of data in the same order received from an MPEG bit stream as claimed or similarly claimed.

As noted in the specification on page 4:

The present invention relates to a method and system for processing data arriving from a bit-stream to perform numerical computations in a temporal order independent fashion. According to one embodiment, the present invention is applied to IDCT computations to allow processing of IDCT coefficients in the same order they are received from an MPEG bit stream. The coefficients are not required to be converted from scan order to array order before processing. This provides significant advantages in that it imposes minimal storage requirements for the coefficients and the coefficients are processed in scan order.

In view of the foregoing, it is respectfully asserted that all of the claims pending in this patent application are in condition for allowance.

Application No. 10/017,240 Reply to Office Action of June 21, 2007 Attorney Docket: 42P11505

The required fee for a three month extension of time is enclosed. No additional fees are required for additional claims. Should it be determined that an additional fee is due under 37 CFR §§1.16 or 1.17, or any excess fee has been received, please charge that fee or credit the amount of overcharge to deposit account #02-2666.

If the Examiner has any questions, he is invited to contact the undersigned at (626) 584-0386. Reconsideration of this patent application and early allowance of all the claims is respectfully requested.

Respectfully submitted.

2007.

BLAKELY, SOKOLOFF, TAYLOR, & ZAFMAN LLP

Dated: December 21, 2007.

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CERTIFICATE OF ELECTRONIC FILING

I hereby certify that this paper is being transmitted online via EFS Web to the Patent and Trademark Office, Commissioner for Patents, Post Office Box 1450, Alexandria, Virginia 22313-1450, on <u>December 21</u>,

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